

MINUTES

MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON BUSINESS AND LABOR

Call to Order: By **CHAIRMAN MIKE TAYLOR**, on February 17, 2001 at 9:00 A.M., in Room 422 Capitol.

ROLL CALL

Members Present:

Sen. Mike Taylor, Chairman (R)
Sen. Mike Sprague, Vice Chairman (R)
Sen. Edward Butcher (R)
Sen. Vicki Cocchiarella (D)
Sen. Sam Kitzenberg (R)
Sen. Glenn Roush (D)
Sen. Don Ryan (D)

Members Excused: Sen. Dale Berry (R)
Sen. Dale Mahlum (R)

Members Absent: None.

Staff Present: Bart Campbell, Legislative Branch
Kyanne Kelly, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 469, 2/14/2001; SB 474,
2/14/2001; SB 441, 2/14/2001;
SB480, 2/14/2001
Executive Action: SB 469; SB 349; SB 445

HEARING ON SB 469

Sponsor: SENATOR BOB DEPRATU, SD 40, WHITEFISH

Proponents: Mike Foster, Department of Labor & Industry
Gail Gray, Public Health & Human Services

Opponents: None

Opening Statement by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 1.5}

SENATOR BOB DEPRATU, SD 40, WHITEFISH, said the title explains the bill. He said this is an act to coordinate workforce development programs between the Department of Public Health and the Department of Labor.

Proponents' Testimony:

Mike Foster, Department of Labor & Industry, said Workforce Development is an important part of the equation of economic development. It was a little bit scattered, and this will bring it more into administrative coordination.

Gail Gray, Public Health & Human Services, said she helped develop this bill and thinks it would be good for all involved.

Opponents' Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 7.4}

SENATOR BOB DEPRATU, SD 40, WHITEFISH, said this is a bill that works and recommends it be passed.

EXECUTIVE ACTION ON SB 469

Motion/Vote: SEN. BUTCHER moved that SB 469 DO PASS. Motion carried unanimously.

EXECUTIVE ACTION ON SB 349

Motion/Vote: SEN. RYAN moved that SB 349 DO PASS. Motion carried unanimously.

HEARING ON SB 474

Sponsor: SENATOR DUANE GRIMES, SD 20, CLANCY

Proponents: Greg Van Horssen, State Farm
Jacqueline Lenmark, American Insurance Association
John Metropoulos, Farmers Insurance Group
Jan VanRiper, Insurance Commissioners Office
Tom Daubert, Montana Collision & Repair Specialist

Opponents: None

Opening Statement by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 10.8}

SENATOR DUANE GRIMES, SD 20, CLANCY, said this bill would let the law go back to it's pre-1999 status, and that he would let the proponents explain it more thoroughly.

Proponents' Testimony:

Greg Van Horssen, State Farm, said this bill was meant to fix some problems created by the 1999 bill, HB 506. He spoke in depth about the problems and solutions. **EXHIBIT (bus40a01)**

Jacqueline Lenmark, American Insurance Association, said the law that is represented in HB 506 has never gone into effect. It went into litigation before it ever went into effect. This bill would essentially reverse HB 506.

John Metropoulos, Farmers Insurance Group, said he wholehearted supports this repealer.

Jan Van Riper, Insurance Commissioners Office, said they support the amendments that repeal HB 506, but do not support the bill. Ever since HB 506 passed they went into court and it has been in litigation ever since.

TOM DAUBERT, MONTANA COLLISION & REPAIR SPECIALIST, said he concurs with the other proponents . He supports the amendments and not the bill itself.

Opponents' Testimony: None

Questions from Committee Members and Responses:

SENATOR MIKE SPRAGUE asked if the Collision & Repair members are aware of this bill.

Tom Daubert, said yes they are aware of it and have read it.

Closing by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 29}

SENATOR DUANE GRIMES, SD 20, CLANCY, closed without comment.

EXECUTIVE ACTION ON SB 445

Motion: **SEN. TAYLOR** moved that **AMENDMENTS TO SB 445 BE ADOPTED**.

Discussion: Mark Simonich from the Department of Commerce spoke in detail about the amendments. **EXHIBIT (bus40a02)**

EXHIBIT (bus40a03)

SENATOR GLENN ROUSH asked **Andy Poole** about moving the Board of Horse Racing to the Department of Justice.

Andy Poole said Horse Racing is a regulatory activity and thus needed to be moved out of Commerce.

SENATOR MIKE SPRAGUE asked where the Banking Board would go.

Andy Poole said the Banking Board was going to Administration.

SENATOR VICKI COCCHIARELLA said her concern was with the Department of Consumer Affairs being moved to the Department of Justice. She said that she was concerned the staffing levels would not be kept up at the current rate. **CHAIRMAN TAYLOR** said the jobs and departments would move, and the people and money would move with them.

SENATOR DON RYAN said he would like more time to study this bill before he votes on it. **SENATOR ROUSH** said that this bill will go through and things that are wrong with it will be fixed in the next session

SENATOR SAM KITZENBERG said the Department of Commerce is underfunded and that is one of the problems. He said he would like to see if there is a reduction of employees and greater efficiency.

SENATOR COCCHIARELLA has concerns that there is no transition plan.

SENATOR BUTCHER said it is the Department's job to administrate this, not the Legislators.

Vote: Motion carried unanimously.

Motion/Vote: SEN. TAYLOR moved that SB 445 DO PASS. Motion carried 8-1 with Ryan voting no.

HEARING ON SB 441

Sponsor: SENATOR CHRIS CHRISTIAENS, SD 23, GREAT FALLS,

Proponents: Aidan Myhre, Board of Health Care
Claudia Clifford, Insurance Commissioner's Office
Don Allen, MT Benefits and Life Company

Opponents: Glenn Leavitt, Benefits Montana University System
Tom Schneider, MT Public Employees Association

Informational Witness: John McEwen, State Personnel Division

Opening Statement by Sponsor:

{Tape : 2; Side : A; Approx. Time Counter : 13.4}

SENATOR CHRIS CHRISTIAENS, SD 23, GREAT FALLS, said he would let the proponents explain the bill to the Committee.

Proponents' Testimony:

Aidan Myhre, Board of Health Care, said the portability plan exists for the people who don't have anywhere else to go. She explained that this bill basically expands the assessment base for those people.

Claudia Clifford, Insurance Commissioner's Office, said this is an important program as the health insurer of last resort. She explained that this bill is about how to pay for this program.

Don Allen, Montana Benefits and Life Company, said he supports this bill, because it makes health insurance benefits available to those who wouldn't otherwise be able to get it.

Opponents' Testimony:

Glenn Leavitt, Benefits Montana University System, said the people who would pay for this would be the employees. He further said this is an increase for each employee of about \$100.00 on their health insurance deductible.

Tom Schneider, Montana Public Employees Association, said this is a noble cause but there are serious problems in the state and University system already, and this bill would put further stress on the benefits of the state and University employees.

Informational Witness: John McEwen, State Personnel Division made himself available to answer questions.

Questions from Committee Members and Responses:

SENATOR COCCHIARELLA asked if they have met with groups of representatives from the various groups.

Aidan Myhre said no.

CHAIRMAN TAYLOR said he didn't have a problem with the bill, but wondered how it would be funded.

SENATOR CHRISTIAENS said this may come from the general fund.

Closing by Sponsor:

{Tape : 2; Side : B; Approx. Time Counter : 4.4}

SENATOR CHRIS CHRISTIAENS, SD 23, GREAT FALLS, said that in 1997 it was mandated that states have this kind of insurance in place and all of the self insurers have assessed themselves to do this. However they can't keep up with this because so many people are in this category. The people who get laid off need the help and he thinks \$1.40 per person per month to fund it is appropriate.

HEARING ON SB 480

Sponsor: SENATOR DALE BERRY, SD 30, HAMILTON

Proponents: None

Opponents: None

Opening Statement by Sponsor:

{Tape : 2; Side : B; Approx. Time Counter : 8.3}

SENATOR DALE BERRY, SD 30, HAMILTON, said this bill would put back into statute that Montana be a member of the Pacific Northwest Economic Region. He said there wouldn't be any costs for this year to be a member of this group.

Proponents' Testimony: None

Opponents' Testimony: None

Questions from Committee Members and Responses:

SENATOR COCCHIARELLA asked how we could be involved without a fiscal responsibility. SENATOR BERRY said there would be scholarships available for representatives to go to the meeting. SENATOR COCCHIARELLA said she thought we should put in a fiscal note and appropriations with it.

SENATOR TAYLOR said we should say it comes out of Legislative Services. This is where the money comes from for Interim Boards.

Closing by Sponsor:

{Tape : 2; Side : B; Approx. Time Counter : 16.4}

SENATOR DALE BERRY, SD 30, HAMILTON, said he would bring a fiscal note to the floor. He said we really do need to participate in this because it is proactive to helping us economically.

ADJOURNMENT

Adjournment: 11:00 A.M.

SEN. MIKE TAYLOR, Chairman

KYANNE KELLY, Secretary

MT/KK

EXHIBIT (bus40aad)